

DEPARTMENT OF BENEFIT PAYMENTS

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June 8, 1977

ALL-COUNTY LETTER NO. 77-23 (Fin Plng)

TO: ALL COUNTY WELFARE DIRECTORS
ADMINISTRATIVE SERVICES OFFICERS
WELFARE FISCAL SUPERVISORS
COUNTY AUDITORS

SUBJECT: COUNTY COUNSEL COSTS

REFERENCE:

This letter is a follow-up to earlier claiming instructions issued in All-County Letter No. 76-92 regarding County Counsel costs. This letter also provides information on retroactive Federal financial participation in allowable County Counsel costs.

According to the U.S. Department of Health, Education, and Welfare (DHEW), the general rules to be applied in determining the eligibility of County Counsel costs for Federal financial participation (FFP) are:

1. That they are necessary and reasonable for the proper and efficient administration of the grant program.
2. That the benefits are identifiable to the county's welfare program, and the costs are allocable thereto.
3. That they are not a general expense required to carry out the overall responsibilities of the local government, or solely for the purpose of discharging the general responsibilities of the County Counsel as the Legal Officer of the county.

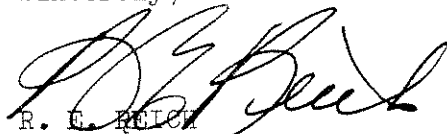
The examples that were cited in All-County Letter No. 76-92 have been confirmed by DHEW as allowable County Counsel costs. In addition, DHEW has indicated that County Counsel costs incurred in the preparation and presentation of a case where the county is a plaintiff, except against the Federal Government, are allowable. However, DHEW also indicated that the preparation and presentation costs incurred by the County Counsel where the county is a defendant are not allowable.

FFP is available for County Counsel costs retroactive to the quarter in which the county first included such costs in its claims for FFP. These costs must be supported by either direct billing or inclusion in a countywide cost allocation plan. All-County Letter 76-92 should continue to be referred to for current claiming instructions.

For those counties not previously claiming County Counsel costs, Federal financial participation is available for Fiscal Year 1974/75 and Fiscal Year 1975/76 for claims supported by either direct billing or inclusion in the countywide cost allocation plan. Accordingly, those counties not previously claiming County Counsel costs may adjust the costs in their countywide cost allocation plans to include allowable County Counsel costs and submit them to the State Controller's Office (SCO) for approval for the past two fiscal years. Federal and State reimbursement will be subject to the availability of funds.

DBP will reinstate all allowable County Counsel costs that have been previously removed from the county administrative expense claim by DBP, and will clear all pending SCO audit exceptions taken against allowable County Counsel costs.

Sincerely,


R. E. REICH
Deputy Director

cc: CWDA